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RUEHCN/AMCONSUL CHENGDU 2287
RUEHGZ/AMCONSUL GUANGZHOU 0749
RUEHHK/AMCONSUL HONG KONG 8867
RUEHGH/AMCONSUL SHANGHAI 1566
RUEHSH/AMCONSUL SHENYANG 6257
RUEAIIA/CIA WASHDC
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RHHJJAA/JICPAC HONOLULU HI
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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 002660

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TAGS: PGOV TW

SUBJECT: KUOMINTANG YIELDS IN DISPUTE OVER REFERENDUM
VOTING PROCEDURES, URGES SUPPORTERS TO BOYCOTT REFERENDA

REF: TAIPEI 2628

Classified By: AIT Director Stephen M. Young,
Reasons: 1.4 (b/d)

¶1. (SBU) The Kuomintang (KMT) announced on December 29 that it would accept the DPP-controlled Central Election Commission's (CEC) plan for "one-step" voting in the Legislative Yuan (LY) elections and two referenda on January ¶12. This ends an emotional six-week dispute over voting procedures between the DPP central government and the opposition KMT, which controls 18 of Taiwan's 25 local governments. The KMT agreement to the CEC plan is expected to clear the way for smooth and peaceful elections on January ¶12.

¶2. (SBU) Prior to the KMT announcement, concerns had arisen that KMT-DPP wrangling over voting procedures might result in flawed or delayed elections. In explaining his party's turnabout, KMT caucus whip Tseng Yung-chuan pointed out that the dispute over voting procedures was causing social unease and difficulties for election workers. Taking broader interests into account and in order to ensure continued democratic development, Tseng said, the 18 pan-Blue local governments had decided to accept the CEC's "compromise" one-step plan.

¶3. (SBU) Under the CEC's "one-step" process, voters pick up election and referendum ballots at separate tables, mark all of the ballots in a voting booth, and then cast them in separate ballot boxes. Under the "two-step" process previously supported by the KMT, voters would vote on referenda, if they chose to do so, only after they had completed voting in the legislative elections. Although polling stations will be set up for "one-step" voting on January 12, the CEC on December 26 clarified that voters will not be prevented from voting in two steps should they insist on doing so. This "compromise" was one of the factors leading to the KMT's decision to accept the CEC voting plan.

¶4. (C) Another factor leading to the KMT decision was the approaching election date (January 12). Prior to the elections, local governments have to train election workers and print bulletins and other materials that illustrate the set-up and voter flow at polling stations. The DPP central government had made clear it would remove the heads of local

election commissions who made election preparations inconsistent with the one-step process. On December 27, it began carrying out this threat when it dismissed the head of the Taipei City Election Commission. Given the need for local election commissions to begin printing election materials, the KMT had reached a point where it could delay no further if it wanted to resolve the issue in a relatively graceful way. The KMT decision to go along with the CEC plan may also reflect the party's expectation for a strong showing in the January 12 LY elections and its increased confidence in Ma Ying-jeou's presidential prospects, following the High Court decision on December 28 confirming his innocence on corruption charges.

¶15. (SBU) Until December 31, the KMT had been promoting an anti-corruption referendum that will be on the ballot on January 12. Nonetheless, a number of party leaders, including vice presidential candidate Vincent Siew, had been proposing to boycott both the DPP and the KMT referenda. The KMT called a special Central Standing Committee on December 31 to decide this issue. In a press conference following the meeting, KMT Chairman Wu Poh-hsiung announced that the party had made a "painful decision" to urge voters to refuse to participate in referenda balloting on January 12 to prevent the DPP from using referenda as an excuse to sabotage the elections. Wu also said the KMT will have to make an evaluation before deciding whether it will also urge voters to refuse to take UN referenda ballots (KMT as well as DPP) during the presidential election on March 22.

Comment

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¶16. (C) Taipei City KMT Chairman Pan Chia-sen, who is close to presidential candidate Ma Ying-jeou, earlier predicted to AIT that his party would in the end yield on the one-step voting process. He explained that the KMT had to show toughness toward the DPP or else its own supporters would accuse the party of being too weak. However, if the KMT went overboard, it would fall into the DPP's "trap," being blamed along with the DPP for causing problems. Therefore, the KMT strategy was to take a strong stand at first and then back down before things went too far. Both parties are looking to the presidential election and the competing UN referenda as they jockey over voting procedures for the January 12 LY elections. The DPP and KMT believe that one-step voting will help and two-step voting hurt the prospects for the DPP's controversial UN referendum. The decision late on Monday by KMT Headquarters to urge its supporters not to participate in referenda balloting on January 12 will make passage of either the DPP or KMT proposal more problematical. If this presages a similar KMT boycott in March, it could lead to a repeat of the 2004 referenda balloting, where neither measure met the participation threshold.

YOUNG